

MINUTES OF THE MEETING  
LOCAL GOVERNMENT COMMITTEE  
MONTANA STATE SENATE

January 5, 1979

Thee meeting of the Local Government Committee was called to order by Chairman, George McCallum on January 5, 1979 at 1:30 p.m. in Room 405 of the State Capitol Building.

ROLL CALL: All members were present except Senator O'Hara and Senator Rasmussen, who were both excused because of conflicting meetings. However, Senator Rasmussen arrived at the meeting approximately fifteen minutes after it had started.

The following visitors were present: Robert M. Banks, Frenchtown School District; and Claude H. Lackner, also of the Frenchtown School District.

Senator McCallum then turned the meeting over to the vice chairman, Senator Lockrem.

CONSIDERATION OF SENATE BILL #66: Senator McCallum of Senate District 12, sponsor of Senate Bill #66 gave a brief resume of the bill. This bill is an act to make the bond validating act apply to bonds issued and proceedings taken prior to January 1, 1979, and given them an immediate effective date.

Bob Banks, Superintendent of the Frenchtown School District, explained the situation as it pertains to them, that being, after the voters of their area passed the bond issue with 70% of the voters voting in favor of the issue, the bonding company would only honor the bonds if the Legislature would pass the Bond Validating Act by January 15, 1979. Mr. Banks presented a letter from the Attorney Generals Office.  
(See Attachment)

Mr. Claude Lackner, President of the Frenchtown School Board, stated that he is in favor of the bill. Time is of essence in this matter as, if the situation has not been cleared by January 15, 1979, the Frenchtown School Board will have to hold another bond election.

This bill will affect all previous bonds issued in the state since the last Legislature, not only those of the Frenchtown District.

Senator Watt stated that this bill comes up every Legislature and has always been passed.

Senator Watt moved that Senate Bill #66 be given a "DO PASS" recommendation. Motion carried unanimously.

ADJOURN: The meeting adjourned at 2:15 p.m. with the next meeting to be held on Tuesday, January 9, 1979 at 1:30 p.m. in Room 405 to consider Senate Bills #34 and #49.

*George McCallum*  
George McCallum, Chair

## ROLL CALL

## LOCAL GOVERNMENT COMMITTEE

46th LEGISLATIVE SESSION - 1979

Each Day Attach to Minutes.

SENATE COMMITTEE LOCAL GOVERNMENT

Date JANUARY 5, 1979 SENATE Bill No. 66 Time 2:00 p.m.

Clarice S. Grawley  
Secretary

George M. Gallum  
Chairman

**Motion:** DO PASS motion was made by Senator Robert D. Watt

(include enough information on motion--put with yellow copy of committee report.)

## STANDING COMMITTEE REPORT

JANUARY 5 1979

MR. .... PRESIDENT.....

We, your committee on..... **LOCAL GOVERNMENT**.....

having had under consideration ..... **SENATE** ..... Bill No. **66** .....

Respectfully report as follows: That.....SENATE.....Bill No. ....66.....

DO PASS

STATE PUB. CO.  
Helena, Mont.

*John P. Ryan* Chairman

.....  
**Chairman.**

**SENATE**

## COMMITTEE

BILL

VISITORS' REGISTER

DATE

Please note bill no.

(check one)

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY

STATE  
OF  
MONTANA  
**ATTORNEY GENERAL**  
**MIKE GREELY**

STATE CAPITOL, HELENA, MONTANA 59601 TELEPHONE (406) 449-2026

18 December 1978

Phyllis L. Sample, Clerk  
Missoula County School District No. 40  
Frenchtown Schools  
Frenchtown, Montana 59834

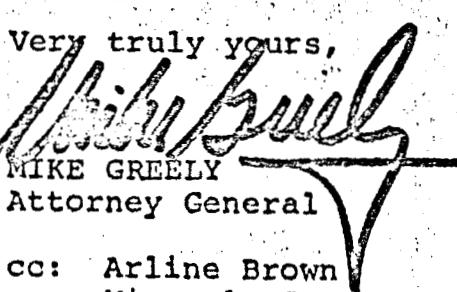
Re: Missoula County District No. 40, Frenchtown  
Schools; Construction Bonds - \$3,950,000.

Dear Ms. Sample:

I have examined the completed transcript of the proceedings relating to the issue and sale of the above bonds. While the authority of the elementary district trustees to issue bonds on the credit of that district is unclear, the fact that the elementary district will benefit from the high school's construction and that the voters were thoroughly informed tend to support the exercise of that authority in this case. In light of the equities involved it is my opinion that since the elementary and high school bond issue proceedings were conducted in substantial compliance with the applicable statutes, the bonds, when issued and delivered to the purchaser, will constitute a legal and valid obligation of the above-named district.

To complete our file, please forward to this office a sample copy of the bonds when issued.

Very truly yours,

  
MIKE GREELY  
Attorney General

cc: Arline Brown  
Missoula County Treasurer

Roberta Frank  
Missoula County Clerk and  
Recorder